



U.S. COMMERCIAL SERVICE **GLOBAL AUTOMOTIVE TEAM**

QUARTERLY NEWSLETTER – FALL 2014

CONNECTING YOU TO GLOBAL MARKETS

**NEW TEAM
LEAD:**

[Lesa Forbes](#)



FOCUS ON: CANADA

After the United States, Canada represents the second largest automotive market in North America with more than 1.7 million units sold in 2013. The relationship that Canadian and U.S. production facilities have forged over the years makes Canada the largest industry trading partner for the U.S. With the North American automotive industry's rebound, sales of new vehicles in Canada continue to grow, with unit sales rising four percent in 2013. Roughly \$20 billion in automobile and light duty motor vehicles were exported to the Canadian market, representing approximately 25 percent of total U.S. auto exports. (Not shown above are U.S. Original Equipment Manufacturers, OEMs, sales to Canada of U.S. vehicles assembled in Canadian assembly lines.)

Market Overview-March2014 ([Full report here](#))

- 🍁 Canada represents the second largest automotive market in North America
- 🍁 Record 1.74 million light vehicles sold in Canada during 2013, up 4.0% from 2012
- 🍁 Canadian imports of vehicles (cars, light and heavy duty trucks and chassis) totaled US\$39.5 billion in 2013, a slight increase of 1% from 2012, but up 12% since 2011 (61% of the total coming from the U.S.)
- 🍁 Canada also imported parts and components totaling US\$37 billion
- 🍁 Canadian automotive-aftermarket retail sales are estimated at approximately US\$19 billion in 2013

OPPORTUNITIES-PROGRAMS/PROJECTS

- 🍁 U.S. light vehicles maintain a dominant share of 44.6% of the Canadian market
- 🍁 Increased OEMs' capital investment in 2013, combining to an announced \$950 million
- 🍁 [Federal government announced additional \\$500 million over 2 years for the Automotive Innovation Fund](#)
- 🍁 Chrysler in talks to invest up to \$3.6 billion in its manufacturing facilities in Canada
- 🍁 Large Canadian Tier 1 suppliers announced total investments of over \$500 million in 2012

[More here](#)

The U.S.–Canada automotive sector is highly integrated and interconnected. On average, an automotive part may cross the border seven times until the finished vehicle comes off the assembly line.

Web Resources

[Automotive Industries Association of Canada](#)
[Industry Canada](#)

[Statistics Canada](#)

[Automotive Parts Manufacturers' Association](#)
[DeRosiers Automotive Consultants](#)

**CALENDAR OF UPCOMING EVENTS**

For most updated information, please visit: <http://export.gov/industry/auto/keyevents/index.asp>

Date	Event
November 4, 2014 @ 11:00 am ET	Webinar: Selling into Mexico's Auto Supply Chain Featuring auto supply chain trends and opportunities, best prospects, business development strategies to access the OE and Tier 1 supplier network in Mexico. Introduces the unique B2B matchmaking program in Queretaro , providing access to GM, Ford, Toyota, Honda, Mazda, Nissan, VW, Audi, BMW, Bosch, Continental and Siemens procurement, supply chain, engineering and fabrication managers. More on this webinar.
February 23-25, 25	Automotive Meetings in Queretaro Mexico is an outstanding supply chain business forum offering 2-full days of B2B matchmaking meetings in one location. Featuring key decision makers in supply chain, procurement and engineering management with automakers and Tier I suppliers operating facilities throughout Mexico. Participants include: GM, Ford, Volkswagen, Audi, BMW, Toyota, Honda, Mazda, Nissan, Bosch, Continental and Siemens. More on this B2B matchmaking opportunity.

TRADE EVENTS[Automotive Aftermarket Industry Week \(AAIW\)](#)[Pre-Register for this event](#)

Las Vegas, NV, United States

November 4-7, 2014

[Webinar: Mexican Auto Supply](#)[Chain Matchmaking Event](#)[Pre-Register for this event](#)

November 4, 2014

[EICMA 2014](#)[Pre-Register for this event](#)

Milan, Italy

November 6-9, 2014

[METS 2014 - Marine Equipment Trade Show 2014](#)[Pre-Register for this event](#)

Amsterdam, Netherlands

November 18-20, 2014

[Plastimagen 2014 \(TFC Event\)](#)

Mexico City, Mexico

11/18/2014 - 11/21/2014

[EXPO MANUFACTURA 2015](#)

Monterrey, Mexico

February 3-5, 2014

MARKET RESEARCH & PUBLICATIONS

- ["Compilation of World Motor Vehicle Import Requirements"](#)
 - ["Motorcycles: European Market Briefs 2013-2014".](#)
 - ["Electrical Vehicles: Europe in Brief" Guide](#)
- ➔ Find more at: [Market Research Library.](#)



IN THE NEWS:



[Getting the North American network in ship shape](#)

The inaugural Import Export North America conference, a joint AIAG and *Finished Vehicle Logistics* event, saw executives and lawmakers debate how best to prepare the region to meet the logistics challenges of changing import and export flows and rising production. Executives gathered at the port of Baltimore, Maryland

The recovery of the North American passenger vehicle market, together with changing trade patterns, is altering aspects of the region's vehicle logistics network, including port-related services and transport connections. While executives at carmakers and logistics providers are looking at relatively positive forecasts, including further sales growth and a strong rise in production, those attending Import Export North America expressed concerns about capacity for rail, road and port logistics.

[Delegates in Detroit discuss complexity in the supply chain](#)



The global rise of vehicle assembly continues, bringing with it a lot more complexity in supply chain management, global part and vehicle movements, and electronics and technology, according to speakers at this week's Automotive Logistics Global conference in Detroit.

Global vehicle assembly is set to hit 85.7m units in 2014, a 3.8% increase from 2013, with utilisation currently sitting at a healthy 80%, according to figures from PwC Autofacts. North America continues to rise to record levels, expected to surpass 16.5m units this year, and forecasted to surpass 19m by the end of the decade, said Kevin Roberts, head of North American forecasting.

[Russian bans may not keep down imports for long](#)



Some experts suggest that the fallout in the Russian market could eventually lead carmakers to close smaller factories, leading to a rise in imported vehicles. However, the government is launching support for sales and the supply chain

The continuing Ukrainian crisis and subsequent economic sanctions and retaliations have already contributed to a sharp decline in vehicle sales in Russia, along with scaled back production. The country is on the precipice

of an even deeper economic fissure with the West; Dmitry Medvedev, the prime minister, has raised the possibility of [Russia restricting automotive imports](#) from the US and EU following the current ban on agricultural products. [Russia has already restricted state purchases of imported vehicles.](#)

[Escrow Services – how to get paid when exporting!](#)

by Andrew K. Sokol is General Manager of Emerging Markets at Escrow.com, an ITA [Strategic Partner](#).

To no one's surprise, when exporting – or considering exporting - small businesses are concerned about getting paid! This issue was highlighted recently in a study by the US International Trade Commission where US exporters stated that they worry about getting paid in a timely manner. This is consistent with the results from a survey by the



National Small Business Association in which 41% of their members who export stated that getting paid was their most significant concern. For more information please visit www.escrow.com

Interesting Reads:

[Boston Consulting Group Overview of European Automotive Aftermarket \(Jul 2014\)](#)

[Speakers' presentations from the 2014 Center for Automotive Research's Management Briefing Seminars \(Aug 2014\)](#)

[GM Presentation on International Auto Markets](#)

[2014 Auto Sales Outlook: Global unrest worries Detroit's Big 3 carmakers](#)

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Greetings from The Global Auto Team!

Annual Team Training in DC (June 2014)!



Download our new FREE
"2014 Automotive Resource Guide:
A Reference for U.S. Exporters"

